



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
**DIVISION OF ACCOUNTING**

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**MEMORANDUM**  
**#08-17a**

**TO:** All Department & School Fiscal Officers

**FROM:** Trisha L. Neely, Director

**DATE:** June 25, 2008

**SUBJECT: FY 2009 TENTATIVE FRINGE BENEFITS COSTS (Revision)**

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Following are the revised rates for Pension, Worker's Compensation and Deferred Compensation combined rate and the 2009 O.A.S.D.I. maximum earnings rate as stated in Accounting Memo 08-17.

**F.I.C.A. - EMPLOYER'S SHARE**

The **Maximum Old Age Survivors Disability Insurance (O.A.S.D.I.)** withholding effective for the period July 1, 2008, through December 31, 2008, is based on earnings of \$102,000 at a rate of 6.2%. The earnings maximum for Medicare withholding effective for the period July 1, 2008, through December 31, 2008, is unlimited at a rate of 1.45%. Effective **January 1, 2009**, the employer rate is expected to remain 6.2% for O.A.S.D.I. and 1.45% for Medicare. The O.A.S.D.I. maximum earnings rate is \$106,500; the Medicare maximum earnings will be unlimited.

**PENSION**

The pension cost calculation rate for **FY 2009** is currently expected to be 15.87%.

**WORKER'S COMPENSATION**

The rate effective July 1, 2008, is 1.75% of payroll.

**DEFERRED COMPENSATION MATCH**

Deferred Compensation match was eliminated therefore the OEC has been eliminated.

TLN:eed